Nixon Sets Up Panel On Right of Privacy

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President Nixon announced yesterday the creation of a Cabinet-level committee to recommend specific measures to ensure individual privacy in an era when data banks contain personal information on most Americans.

The new Domestic Council Committee on the Right of Privacy, to be headed by Vice President Ford, will begin within four months to recommend regulations, executive actions, policy changes and legislation, Mr. Nixon said in a radio address.

Data gathering "has become big business in the United States—over $20 billion a year," he declared, "and the ," he declared, "and the names of 150 million Americans are now in computer banks scattered across the country."

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The government alone has 7,000 computers, Mr. Nixon said. "The same process has been at work in the private sector where computers and modern data technology have placed vast quantities of personal information in the hands of bankers, employers, charitable organizations, and credit agencies."

Mr. Nixon cited benefits of the new technology—government ability to process 27 million Social Security checks a month, law enforcement capability in tracing stolen goods or criminal suspects.

But he also pointed out that "in too many cases, unrestricted or improper use of sonal information is being personal information is being made" and that sometimes employment or credit is withheld on the basis of inaccurate or obsolete information.

"Careers have been ruined, marriages have been wrecked, and reputations built up over a lifetime have been destroyed by the misuse or abuse of data technology in both public and private hands," he said.

To meet such a challenge, "we need more than just another investigation and just another series of reports," he stressed. "We need action."

However, much of the Domestic Council committee's investigation, as outlined in the President's speech and an 11-page fact sheet released by the White House, will cover areas already probed by a Health Education and Welfare Department advisory committee last year.

Mr. Nixon said he wants his new blue-ribbon panel to examine "how the federal government collects information on people and how that information is protected, procedures which would permit citizens to inspect and correct information held by public or private organizations, regulations of the use and dissemination of mailing lists, and most importantly, ways that we can safeguard personal information against improper alteration or disclosure."

The new study will consider the consequences when people consent to give personal data to government or industry because they have to do so in order to get certain benefits.

"One goal of privacy protection is to assure that undue advantage is not taken when people are dependent on such benefits," the White House fact sheet said.

"More attention should be directed at the privacy rights of welfare recipients, Medicare patients and others participating in federally funded health, education, and welfare programs," it added. Such persons would include drug offenders, who are subject to extensive file-keeping.

HEW regulations have been widely criticized because recently they have allowed greater access to HEW data banks by officials of other government agencies.

Other issues to be covered by the new study include regulation of those who assemble and disseminate personal information, the question of whether less information ought to be collected, the adequacy of present laws on credit reporting and bank record secrecy, and the need for a code on public and private record keeping.

The HEW advisory committee report last July called for such a code and suggested limitations on the amount of data collected. The Federal Trade Commission has recommended tightening of credit reporting practices.

Mr. Nixon noted that Congress passed a fair credit reporting act in 1970, and that the Justice Department proposed legislation earlier this month to regulate federal and state crime data banks.